



that the buildings have achieved the required standards. In its final report, the 21st Century School Facilities Commission (“Knott Commission”) included a recommendation that the MdGBC develop guidelines for achieving the equivalent of LEED Silver without requiring independent certification in order to alleviate paperwork requirements and costs related to independent certification, after LEAs testified to the Commission that the certification process was costly and sometimes challenging. The Commission noted that LEED strategies have increasingly become standard practice within the construction industry and are largely represented in building codes.

As a result, the 21st Century School Facilities act modified the Maryland High Performance Green Building Program, to require that LEAs’ newly constructed or renovated buildings meet or exceed LEED Silver or one of the two specified equivalent rating systems, but not require facilities to be certified as such. Imposing a certification requirement would lead to added costs to LEAs and, because the State participates in such costs, to the State. Such an increase in project cost is likely to result in LEAs implementing fewer projects and addressing fewer existing facilities needs.

Of significant importance, the benefit of LEED, net-zero-energy (NZE), and other energy saving programs and initiatives can be lost depending upon operational practices of many owners, which currently are resulting in actual facilities performance that is far below the level specified by the design energy-efficiency (EE) standards in place. As a result of this, further increasing the design EE standards level will return far less energy savings and reductions in greenhouse-gas (GHG) emissions than would an effort to work with owners to bring actual building EE into line with the standards that the facilities were designed to meet.

The IAC believe there is a need, which was also supported by the Workgroup on Educational Specifications, to foster real-time metering and reporting of energy use at the building level so that building performance and energy use—and, through them, the operational practices of facility owners and operators—can be evaluated and improved.

This legislation would additionally have the following impacts on LEAs:

- Require that at least one new school built by each Local Education Agency (LEA) between July 1, 2023 to June 30, 2033 meet NZE requirements, excluding those that receive a waiver in accordance with new IAC regulations.
- Establish a Net-Zero Grant Fund administered by the MEA to assist school systems with covering the cost difference between NZE requirements and high performance building.
- Require the MDE to develop standards that reduce net greenhouse gas (GHG) emissions from covered buildings owned by the state to zero by 2035 and of covered buildings not owned by the state to zero by 2040. Additionally, the MDE will be required to develop a plan to reduce statewide emissions to net-zero by 2045. The IAC cannot determine the impact that these standards or the plan will have on the LEAs until the MDE establishes them. However, it is expected that such standards would effectively require that LEAs replace or retrofit approximately 140 million gross square feet of existing buildings with a total current replacement value of about \$60 billion to become NZE by 2040.

We respectfully request that you consider this information as you deliberate SB0528. For further information, please contact Alex Donahue at 410-767-0102 or alex.donahue@maryland.gov.